

**Cover Sheet for Submission of
2014 Annual ETC Certification Reports**

Name of Eligible Telecommunications Carrier: Eagle Telephone System, Inc.

Filing date: June 30, 2014

Is this: Original submission? YES

OR

Revised submission? _____

Person to contact for questions:

Name: Rusti A. Lattin

Phone number: 541-893-6111

E-mail address: rusti@eagletelephone.com

Documents included in this filing (please check applicable items):

☒ CAF/ICC Support (47 CFR § 54.304)

☒ Rate Floor Data (47 CFR § 54.313(h))

☒ Form 481 (High-cost per 47 CFR § 54.313, Low-income per 54.422)¹

_____ Form 690 (Mobility Fund per 47 CFR § 54.1009)

☒ Affidavit for High-Cost Support

Filing deadlines: The deadlines for filing items required by 47 CFR § 54 are the same as the deadlines for filing with the FCC. The notarized affidavit for high-cost support must be filed no later than the due date for the FCC Form 481. Based on current information, it appears that all items other than CAF/ICC support data are due by July 1, 2014. The CAF/ICC support data are due the same day as the ETC's interstate access tariff filing.

If revisions to an original submission are filed with the FCC or USAC, a copy of the revisions must be filed with the Oregon Commission no later than five business days following submission to the FCC or USAC.

¹ Lifeline-only ETCs must provide all information specified in 47 CFR § 54.422(b) even if the ETC does not submit this information to the FCC.

Mike Lattin

From: Form481@usac.org
Sent: Monday, June 30, 2014 4:13 PM
To: mike@eagletelephone.com
Subject: Form 481 Certification Confirmation

Congratulations. Your filing has been successfully certified.

Filing Number: 2

Certification Date and Time: Mon Jun 30 19:12:51 EDT 2014

Filing Created By: mike@eagletelephone.com

SAC: 532369

SPIN: 143002617

Carrier: EAGLE TEL SYSTEMS

Program Year: 2015

This is a system generated email. Please do not respond to this message.

<010>	Study Area Code	532369
<015>	Study Area Name	EAGLE TEL SYSTEMS
<020>	Program Year	2015
<030>	Contact Name: Person USAC should contact with questions about this data	Rusti Lattin
<035>	Contact Telephone Number: Number of the person identified in data line <030>	5418936111 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	rusti@eagletelephone.com

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
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<100>	Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200>	Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210>	<input checked="" type="checkbox"/> -- check box if no outages to report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<300>	Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310>	Detail on Attempts (voice)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330>	Detail on Attempts (broadband)	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410>	Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420>	Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440>	Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450>	Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<500>	Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510>	510EAGLECONSUMERPROTCOMPL2014.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600>	Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610>	610EAGLEEMERGENCYFUNCCEBT2014.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700>	Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710>	Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800>	Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900>	Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000>	Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010>		(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100>	Terrestrial Backhaul (Y/N)?	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>		(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200>	Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>		(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>		(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet				
<3000>		(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>		(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	532369
<015>	Study Area Name	EAGLE TEL SYSTEMS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rusti Lattin
<035>	Contact Telephone Number - Number of person identified in data line <030>	5418936111 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	
<111>	year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

532369EAGLETELEPHONE5YEARBUILDOUTPLAN.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached documents(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How (USF) was used to improve service quality
- <116> How (USF) was used to improve service coverage
- <117> How (USF) was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.

✓
✓
✓
✓
✓
✓

<010>	Study Area Code	532369
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<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

[illegible]

(710) Broadband Price Offerings Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	532369
<015>	Study Area Name	EAGLE TEL SYSTEMS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rusti Lattin
<035>	Contact Telephone Number - Number of person identified in data line <030>	5418936111 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

[illegible]

(800) Operating Companies Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	532369
<015>	Study Area Name	EAGLE TEL SYSTEMS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rusti Lattin
<035>	Contact Telephone Number - Number of person identified in data line <030>	5418936111 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com
<810>	Reporting Carrier	Eagle Telephone System, INC
<811>	Holding Company	
<812>	Operating Company	

[illegible]

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 532369
 <015> Study Area Name EAGLE TEL SYSTEMS
 <020> Program Year 2015
 <030> Contact Name - Person USAC should contact regarding this data Rusti Lattin
 <035> Contact Telephone Number - Number of person identified in data line <030> 5418936111 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> rusti@eagletelephone.com

<910> Tribal Land(s) on which ETC Serves

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<920> Tribal Government Engagement Obligation

--

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
 <922> Feasibility and sustainability planning;
 <923> Marketing services in a culturally sensitive manner;
 <924> Compliance with Rights of way processes
 <925> Compliance with Land Use permitting requirements
 <926> Compliance with Facilities Siting rules
 <927> Compliance with Environmental Review processes
 <928> Compliance with Cultural Preservation review processes
 <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	532369
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<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rusti Lattin
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<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)

☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G)

☐

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	532369
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<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rusti Lattin
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<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

532369Eagle Service Poster.docx

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP www.eagletelephone.com

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,



<1222> Details on the number of minutes provided as part of the plan,



<1223> Additional charges for toll calls, and rates for each such plan.



(2000) Price Cap Carrier Additional Documentation**Data Collection Form****Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	532369
<015>	Study Area Name	EAGLE TEL SYSTEMS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rusti Lattin
<035>	Contact Telephone Number - Number of person identified in data line <030>	5418936111 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting		
<2010>	2nd Year Certification {47 CFR § 54.313(b)(1)}	<input type="checkbox"/>
<2011>	3rd Year Certification {47 CFR § 54.313(b)(2)}	<input type="checkbox"/>
Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}		
<2012>	2013 Frozen Support Certification	<input type="checkbox"/>
<2013>	2014 Frozen Support Certification	<input type="checkbox"/>
<2014>	2015 Frozen Support Certification	<input type="checkbox"/>
<2015>	2016 and future Frozen Support Certification	<input type="checkbox"/>
Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}		
<2016>	Certification Support Used to Build Broadband	<input type="checkbox"/>
Connect America Phase II Reporting {47 CFR § 54.313(e)}		
<2017>	3rd year Broadband Service Certification	<input type="checkbox"/>
<2018>	5th year Broadband Service Certification	<input type="checkbox"/>
<2019>	Interim Progress Certification	<input type="checkbox"/>
<2020>	Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input type="checkbox"/>
<2021>	Interim Progress Community Anchor Institutions	

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier-Additional Documentation
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 532369
 <015> Study Area Name EAGLE TEL SYSTEMS
 <020> Program Year 2015
 <030> Contact Name - Person USAC should contact regarding this data Rusti Jattin
 <035> Contact Telephone Number - Number of person identified in data line <030> 5418936111 ext.
 <039> Contact Email Address - Email Address of person identified in data line <030> rusti@eagletelephone.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

- (3010) Progress Report on 5 Year Plan
 Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

- (3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

- (3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

- (3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))
 (3014) If yes, does your company file the RUS annual report

(Yes/No)

(Yes/No)

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

- (3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers) ☒

- (3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☒

- (3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required Information

- (3018) If the response is no on line 3014, is your company audited?

(Yes/No)

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains

- (3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications ☐

- (3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3021) Management letter issued by the independent certified public accountant that performed the company's financial audit. ☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, ☐

- (3023) Underlying Information subjected to a review by an independent certified public accountant ☐

- (3024) Underlying Information subjected to an officer certification. ☐

- (3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows ☐

- (3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form		FCC Form 481 OMB Control No. 3050-0986/OMB Control No. 3050-0919 July 2013
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<015>	Study Area Name	EAGLE TEL SYSTEMS
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Rusti Lattin
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<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: EAGLE TEL SYSTEMS	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/30/2014
Printed name of Authorized Officer: Mike Lattin	
Title or position of Authorized Officer: President	
Telephone number of Authorized Officer: 5418936111 ext.	
Study Area Code of Reporting Carrier: 532369	Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier: Data Collection Form:	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<039> Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: ext. _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: ext. _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

(700) Price Offerings including Voice Rate Data
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

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<039>	Contact Email Address - Email Address of person identified in data line <030>	rusti@eagletelephone.com

<701> Residential Local Service Charge Effective Date
<702> Single State-wide Residential Local Service Charge

1/1/2014

<703>

[illegible]

(710) Broadband Price Offerings Data Collection Form FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

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[illegible]

USDA-RUS

This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.

**OPERATING REPORT FOR
TELECOMMUNICATIONS BORROWERS**

BORROWER NAME

Eagle Telephone System, Inc.

(Prepared with Audited Data)

INSTRUCTIONS-Submit report to RUS within 30 days after close of the period.
For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.

PERIOD ENDING
December, 2013

BORROWER DESIGNATION
OR0551

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

5/01/14

DATE

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS	Redacted		CURRENT LIABILITIES	Redacted	
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = Redacted % of Total Assets

Page 1 of 6

Redacted for public inspection

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION OR0551	
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING December, 2013	
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		Redacted	
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 5 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense - Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]			
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio [(14+20-10-11) / 7]			
46. Operating Accrual Ratio [(14+20+26) / 7]			
47. TIER [(31+26) / 26]			
48. DSCR [(31+26+10+11) / 44]			

USDA-RUS		BORROWER DESIGNATION
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		OR0551
INSTRUCTIONS -- See help in the online application.		PERIOD ENDED December, 2013
PART I -- STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		Redacted
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		
4. Add: Amortization		
5. Other (Explain)	non-reg depn included in non-reg income	
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		
7. Decrease/(Increase) in Materials and Inventory		
8. Decrease/(Increase) in Prepayments and Deferred Charges		
9. Decrease/(Increase) in Other Current Assets		
10. Increase/(Decrease) in Accounts Payable		
11. Increase/(Decrease) in Advance Billings & Payments		
12. Increase/(Decrease) in Other Current Liabilities		
13. Net Cash Provided/(Used) by Operations		
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		
15. Increase/(Decrease) in Notes Payable		
16. Increase/(Decrease) in Customer Deposits		
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		
20. Less: Payment of Dividends		
21. Less: Patronage Capital Credits Retired		
22. Other (Explain)		
23. Net Cash Provided/(Used) by Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		
25. Other Long-Term Investments		
26. Other Noncurrent Assets & Jurisdictional Differences		
27. Other (Explain)	Purchase of Property, plant, and equipment, plus proceeds of Sale of Asset \$8,000	
28. Net Cash Provided/(Used) by Investing Activities		
29. Net Increase/(Decrease) in Cash		
30. Ending Cash		

Revision Date 2010

Redacted for public inspection

MOSS ADAMS LLP

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ASPECTS OF CONTRACTUAL
AGREEMENTS AND REGULATORY REQUIREMENTS FOR TELECOMMUNICATIONS BORROWERS**

To the Board of Directors
Eagle Telephone System, Inc.

Redacted



REDACTED FOR PUBLIC INSPECTION

Redacted



REDACTED FOR PUBLIC INSPECTION

EAGLE TELEPHONE SYSTEM, INC.
SCHEDULE OF INVESTMENT IN AFFILIATED COMPANY

**Snake River
PCS, Inc.**

Original investment cost

Cumulative net income as of 12/31/12, net of distributions

Shareholder distributions

Net income for the year ending December 31, 2013

Book value of investment as of 12/31/13

Eagle Telephone System, Inc. owns Redacted of the stock of Snake River PCS, Inc. and accounts for its investment on the equity basis.

Snake River PCS, Inc. provides cellular telephone services.

REDACTED FOR PUBLIC INSPECTION

AFFIDAVIT CERTIFYING EMERGENCY FUNCTIONALITY
54.313(a)(5) AND 54.313(a)(6)

I, Mike Lattin, being of lawful age and duly sworn, on my oath, state that I am the President of **Eagle Telephone System, Inc.** and that I am authorized to execute this Affidavit on behalf of the Company, and the facts set forth in this Affidavit are true and accurate to the best of my knowledge, information, and belief.

The Company hereby certifies to the **Oregon Public Utility Commission, Federal Communications Commission**, and the **Universal Service Administrative Company** pursuant to the requirements under 47 C.F.R. 54.313(a)(5) and 54.313(a)(6) that in the provisioning of wireline voice services:

- 1) Eagle Telephone System, Inc., is able to remain functional in emergency situations including a reasonable amount of back-up power to ensure functionality without an external power source, the ability to re-route traffic around damaged facilities, and the capability to manage traffic spikes resulting from emergency situations.
- 2) All of Eagle Telephone System, Inc. Remote AFC cabinets are equipped with generators and battery backup systems. These systems immediately kick on if the main power to the cabinets has failed. The Central Office/Switch is also equipped with a generator and battery backup system that kicks on in the event of a power failure. Any time that there is an emergency situation such as a power failure we are able to provide service to our customers.
- 3) Our main customer service office is also equipped with a generator system so that if the power is down we are still able to remain open to service customer inquiries, answer our landline phones, and take care of any other customer service issues; during normal operating hours.

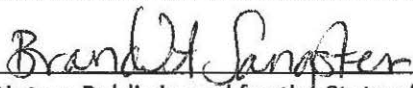
DATED this 26th day of June, 2014.

Eagle Telephone System, Inc.

By: 

Mike Lattin
President

SUBSCRIBED AND SWORN to before me this 26th day of June, 2014.


Notary Public in and for the State of Oregon

My Commission Expires: July 26, 2016



AFFIDAVIT CERTIFYING COMPLIANCE WITH SERVICE
QUALITY AND CONSUMER PROTECTION MEASURES 54.313(a)(5) AND 54.313(a)(6)

I, Mike Lattin, being of lawful age and duly sworn, on my oath, state that I am the President of Eagle Telephone System, Inc. and that I am authorized to execute this Affidavit on behalf of the Company, and the facts set forth in this Affidavit are true and accurate to the best of my knowledge, information, and belief.

The Company hereby certifies to the **Oregon Public Utility Commission, Federal Communications Commission**, and the **Universal Service Administrative Company** pursuant to the requirements under 47 C.F.R. 54.313(a)(5) and 54.313(a)(6) that in the provisioning of wireline voice services:

- 1) Eagle Telephone System, Inc., has established operating procedures designed to facilitate compliance with applicable consumer protection rules.
- 2) Eagle Telephone System, Inc., has established operating procedures designed to facilitate compliance with service quality standards which may include customer remedies and improvement plans.
- 3) Eagle Telephone System, Inc., discloses all of our rates and terms of service to the customer, in the form of plan pamphlets and information on our website. We provide contract terms to customers and confirm changes in service. We allow a 30 day trial period for all new service connects. We provide specific disclosures in our advertising. We separately identify carrier charges from state and federal taxes on our billing statements and we also disclose said taxes on our website and plan pamphlets. We provide the customer the right to terminate service for changes to contract terms. We provide ready access to customer service with our telephone number and customer service contact information on our website and billing statements. We respond to customer inquiries and complaints from government agencies within 30 days of receiving complaints from any such agency. We abide by federal CPNI laws regarding customer privacy.

DATED this 26th day of June, 2014.

Eagle Telephone System, Inc.

By: _____

Mike Lattin
President

SUBSCRIBED AND SWORN to before me this 26th day of June, 2014.

Brandi A Sangster
Notary Public in and for the State of Oregon

My Commission Expires: July 26, 2016



AFFIDAVIT CERTIFYING USE OF UNIVERSAL SERVICE FUNDS

I, Mike L. Lattin being of lawful age and duly sworn, on my oath, state that I am the President of Eagle Telephone System, Inc.; and that I am authorized to execute this Affidavit on behalf of the Company, and the facts set forth in this Affidavit are true to the best of my knowledge, information and belief.

Pursuant to the requirements of the Federal Communications Commission, 47 C.F.R. § 54.314, Eagle Telephone System, Inc.; hereby certifies to the Public Utility Commission of Oregon that it is eligible to receive federal high-cost support for the program years cited.

I attest that all federal high-cost support provided to Eagle Telephone System, Inc.; in Oregon was used in the preceding calendar year (2013) and will be used in the coming calendar year (2015) only for the provision, maintenance and upgrading of facilities and services for which the support is intended.

DATED this 26th day of June, 2014.

By: [Signature] (Officer's Name)

Its: PRESIDENT (Officer's Title)

SUBSCRIBED AND SWORN to before me this 26th day of June, 2014.

Brandi A Sangster

Notary public in and for the State of Oregon

My Commission Expires: July 26, 2016





**EAGLE TELEPHONE
SYSTEM**

P.O. Box 178
Richland, OR 97870

6-27-2014

To Whom It May Concern,

It is Eagle Telephone System, Inc.'s; intention to continue the use of its high cost monies to increase the availability of broadband to its customers, both residential and business alike. We have for the past five years worked diligently to bring Fiber To The Home (FTTH) to it's valued customers with in our own city limits.

Eagle serves a 210 square mile area in one of the most remote areas in Oregon, so with the continuation of our high cost support Eagle intends to continue replacing its legacy copper plant with FTTH. Beginning in 2015 we will move our improvements towards our Eastern end of our plant by replacing the copper plant from Sullivan, Hewitt and Daly Creek areas with FTTH. Along with this upgrade we will also replace/refurbish our Daly Creek head end with the most current equipment we can feasibly purchase and install.

As illustrated in our attached excel spread sheet Eagle intends to continue our fiber build out to every customer we have. This will move us along the Northern end of our plant approximately 35 miles from our Central Office to an area we call Main Eagle. It is this area that we intend to upgrade from copper to fiber beginning in 2016 and continuing into 2017.

If this move is successful and we are able to complete it we will then move to the area of our plant that is located along the Snake River Corridor called Connor Creek and beginning in the spring of 2018 will begin the Connor Creek plant upgrade. In 2018 and 2019 we hope to use the continuing USF support to maintain our existing plant, and attempt any upgrades that we can afford

Signed,

A handwritten signature in black ink, appearing to read "Mike L. Lattin", with a long horizontal flourish extending to the right.

Mike L. Lattin
President
Eagle Telephone System, Inc.

Eagle Telephone System, Inc. #143002617
5 Year Proposed Buildout

Redacted	[Redacted]			
	[Redacted]		RCXLORD-532369	25+
	2018 Project Description			
Redacted	[Redacted]			
	[Redacted]		RCXLORD-532369	25+
	[Redacted]		RCXLORD-532369	25+
	2019 Project Description			
Redacted	[Redacted]			
	[Redacted]		RCXLORD-532369	200+

Eagle Telephone System, Inc. #143002617
5 Year Proposed Buildout

2015 Project Description	Estimated Start Date	Estimated Completion Date	Wire Center Served	Population Served
Redacted			RCXLORD-532369	40+
			RCXLORD-532369	40
			RCXLORD-532369	60
			RCXLORD-532369	40
			RCXLORD-532369	25+